

European Communities

385

EUROPEAN PARLIAMENT

Working Documents

1977 - 1978

8 June 1977

DOCUMENT 144/77

Report

drawn up on behalf of the Committee on Regional Policy, Regional Planning and
Transport

on the proposal from the Commission of the European Communities to the
Council (Doc. 33/77) for a regulation on the necessary measures to achieve
comparability between the accounting systems and annual accounts of railway
undertakings

Rapporteur: Mr J. OSBORN

1.2.1

PE 48.943/fin.

By letter of 31 March 1977 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 75 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation on the necessary measures to achieve comparability between the accounting systems and annual accounts of railway undertakings.

The President of the European Parliament referred this proposal to the Committee on Regional Policy, Regional Planning and Transport.

The Committee on Regional Policy, Regional Planning and Transport appointed Mr Osborn rapporteur on 26 April 1977 and considered the draft report at its meeting on 26 May 1977 when it unanimously adopted the motion for a resolution together with the explanatory statement.

Present: Mr Evans, chairman; Mr Nyborg and Mr Durand, vice-chairmen; Mr Osborn, rapporteur; Mr Brugger, Mr Corrie, Mr Delmotte, Mr Ellis, Mr Fuchs, Mr Giraud, Mr Van der Gun, Mr Hamilton, Mr Hoffmann, Mrs Kellett-Bowman, Mr Schyns and Mr Starke.

A

The Committee on Regional Policy, Regional Planning and Transport hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal of the Commission of the European Communities to the Council for a regulation on the necessary measures to achieve comparability between the accounting systems and annual accounts of railway undertakings

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
- having been consulted by the Council pursuant to Article 75 of the EEC Treaty (Doc. 33/77),
- having regard to the report of the Committee on Regional Policy, Regional Planning and Transport (Doc. 144/77),
- welcoming the proposal as a necessary step towards the improvement of the situation of railway undertakings and the harmonisation of rules governing financial relations between such undertakings and the Member States;

Approves the Commission's proposal.

¹ OJ No. C 91, 15.4.1977, p. 1

B

EXPLANATORY STATEMENT

1. In its Decision of 20 May 1975¹, the Council of the European Economic Community engaged itself, under the provisions of Article 8(2) of the Decision, to adopt the necessary measures to achieve comparability between the accounting systems and annual accounts of the railway undertakings and to lay down uniform costing principles before 1 January 1978.

2. The 1975 Decision was in itself in response to Article 8 of the parent Decision No. 65/271/EEC of 13 May 1965 on the harmonisation of certain provisions affecting competition in transport by rail, road and inland waterway². The preamble to the 1975 Decision which was directed to "the improvement of the situation of railway undertakings and the harmonisation of rules governing financial relations between such undertakings and the States" emphasised in paragraph 9 that the improved (and comparable) presentation of accounts would increase the responsibility and independence of the management of railway undertakings. Legislative effect was given to this by Article 8(2) of the 1975 Decision referred to in para. 1 above.

3. The proposed Regulation³ which is the subject of this Report seeks to apply the provisions of Article 8(2) of the 1975 Decision in so far as they relate to annual accounts. The Commission points out in paragraph 1 of the Explanatory Memorandum that it will deal with the question of uniform costing principles (on which the Council is also required to act before 1 January 1978) in a separate proposal.

4. It would be difficult to improve on the Commission's description of the purpose of the proposed Regulation as set out in paragraph 2 of the Memorandum which states that the purpose of introducing comparable accounting systems and annual accounts is to help further the harmonisation of the rules governing the financial relations between railway undertakings and the

¹ O.J. No. L 152, 12.6.1975

² O.J. No. 88, 24.5.1965

³ Doc 33/77

States in order to promote adequate autonomy for railway undertakings and their running on economic principles and to ensure transparency of financial intervention by the State.

5. Obviously an important step in realising the aims of the 1965 Council Decision in so far as they relate to the railways is for the Commission to be provided with comparable financial and statistical information; as Article 1 of the proposed Regulation states with concision "The purpose of this Regulation is to make the annual accounts of railway undertakings comparable".

6. The Committee on Regional Policy, Regional Planning and Transport have long been convinced that the importance of the railways, not only as providers of a major source of employment within the Community but also as a means of providing a relatively low energy consuming means of goods and passenger transport with a minimum of pollution or damage to the environment, is such that it is essential that they should play a full, effective and competitive role within a common Community transport policy.

7. Your Rapporteur believes that the present proposal is a necessary preliminary to bringing this about.

8. The fact that the accounting system as described in Annexes I to IV of the proposal are closely modelled on the accounting scheme prepared by the International Union of Railways (UIC) is also to be welcomed. The nature of the railway system is such that it is impossible to consider the railway systems of the Community in isolation from non Member States, and even when railway undertakings are being considered in a strictly European context, it will be necessary to be able to make use of comparable statistical information in respect of third countries. By modelling its proposal so closely on the work of the UIC the Commission has ensured that this will continue to be possible.

9. Your Rapporteur notes that under the provisions of Article 7, railway undertakings may continue to use their current method of presenting annual accounts until the end of 1984. Such a provision is necessary in view of existing legal requirements in Member States. On the other hand a certain, though limited, degree of transparency has already been achieved by paragraphs (3), (4) and (5) of Article 8 of the Council Decision of 20 May 1975, and a greater degree of comparability will be achieved during the transitional period between the coming into force of this proposal and 1984 by Article 7(1) of the proposed Regulation which provides for the

transposition of their annual accounts, as far as possible, into the form provided for by this proposal. Such transposed accounts are for communication to the Commission and need not be published.

10. Article 9 of the proposal sets up an Advisory Committee of two representatives of each Member State assisted, if required, by experts. Your Rapporteur while deploring the unnecessary proliferation of advisory bodies considers that in so technical and specialised a field the creation of such an Advisory Committee is not only justifiable but necessary.

11. In view of the facts set out above, the Committee on Regional Policy, Regional Planning and Transport recommend that the European Parliament should express a favourable opinion on this proposal.

